



Connecticut General Assembly – Insurance and Real Estate Committee
Public Hearing – March 15, 2022
SB 357

Testimony of Laura Hoch,
Senior Manager of Advocacy, National Multiple Sclerosis Society

Senator Lesser, Representative Wood, Senator Hwang, Representative Pavalock-D’Amato and members of the Insurance and Real Estate Committee, thank you for the opportunity to submit testimony on SB 357, An Act Concerning Copay Accumulator Programs and High Deductible Health Plans, and how it may impact individuals living with multiple sclerosis (MS).

The National MS Society submitted testimony last year - which you can find below – in support of SB 1003, An Act Prohibiting Certain Health Carriers and Pharmacy Benefit Managers from Employing Copay Accumulator Programs, and discussed how critical copay assistance is to many living with a chronic illness. This assistance can mean the difference between accessing a vital prescription drug and not.

While we understand the intent behind SB 357 and the need for a legislative update in light of issues raised for those on a high deductible health plan (HDHP) with a health savings account (HSA), we would like to suggest alternative language that would better fix the issue while still guaranteeing protections for all of those eligible:

If under federal law, application of subsection (A) would result in Health Savings Account ineligibility under section 223 of the federal Internal Revenue Code, this requirement shall apply only, for Health Savings Account-qualified High Deductible Health Plans with respect to the deductible of such a plan after the enrollee has satisfied the minimum deductible under section 223, except for with respect to items or services that are preventive care pursuant to section 223(c)(2)(C) of the federal Internal Revenue Code, in which case the requirements of subsection (A) shall apply regardless of whether the minimum deductible under section 223 has been satisfied.

The above language has been reviewed and approved by many patient advocacy groups across the country as well as the National Council of Insurance Legislators (NCOIL). This same language is currently moving through legislative bodies in several other states including Virginia, Illinois, and Oklahoma, who have all enacted copay accumulator laws over the last several years similar to the one adopted last year in Connecticut.



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The MS Society encourages this committee and the larger legislative body to adopt the amended language above in order to fully protect patients seeking access to much-needed prescription drugs in Connecticut. We would be happy to discuss this issue further should the committee desire.



Connecticut General Assembly – Insurance and Real Estate Committee
Public Hearing – March 9, 2021
SB 1003

Testimony of Laura Hoch,
Senior Manager of Advocacy, National Multiple Sclerosis Society

Senator Lesser, Representative Wood, Senator Hwang, Representative Pavalock-D'Amato and members of the Insurance and Real Estate Committee, thank you for the opportunity to submit testimony on SB 1003, An Act Prohibiting Certain Health Carriers and Pharmacy Benefit Managers from Employing Copay Accumulator Programs, and how it may impact individuals living with multiple sclerosis (MS).

MS is an unpredictable, often disabling disease of the central nervous system that disrupts the flow of information within the brain, and between the brain and body. Symptoms vary from person to person and range from numbness and tingling to walking difficulties, fatigue, dizziness, pain, depression, blindness and paralysis. The progress, severity and specific symptoms of MS in any one person cannot yet be predicted, but advances in research and treatment are leading to better understanding and moving us closer to a world free of MS. Nearly 1 million people in the United States and 2.3 million worldwide are currently living with MS.

MS is an expensive disease to live with and treat, impacting the healthcare system, health plans and of course, families affected by MS. A person with MS spends three times as much out-of-pocket as the average person in employer plans. Disease modifying therapies (DMTs), which are used to manage the MS disease course, are approximately 75% of the cost of treating MS. Early and ongoing treatment with a DMT is the best way we know to slow the progression of MS, prevent the buildup of disability and protect the brain from damage due to MS. While there are more than twenty DMTs available, only one has a generic alternative, they are not interchangeable, and we do not yet know which medication will work best for each person.

These medications are very expensive - as of 2020, the brand median price of DMTs was \$91,835 and five of them are priced at more than \$100,000 per year. People with MS often face a high deductible and later co-insurance, meaning they are often responsible for thousands of dollars in out-of-pocket costs. This poses a significant challenge in accessing needed medications.

Copay accumulators (or accumulator adjustment programs) began from the belief that drug manufacturers' patient assistance programs are discouraging patients and their doctors from choosing generics or less-costly prescription drug alternatives. These programs are used to prohibit prescription drug coupons or other forms of prescription drug manufacturer assistance from applying towards a patient's annual deductible or out-of-pocket maximum amounts. The AIDS Institute looked into these



**National
Multiple Sclerosis
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programs, ultimately releasing a report that shows that at least 33 states, including Connecticut, have at least one plan with a copay accumulator program.

In MS, copay accumulators make it more difficult for people to get the healthcare they need. As many as 40% of people living with MS rely on copay assistance programs to maintain access to their disease-modifying therapy. With the implementation of copay accumulator programs, people with MS are experiencing higher cost burdens as they struggle with unexpected expenses during their deductible period. It is well-known that people with chronic and high-cost conditions like MS face significant financial hardship each year until their deductible has been met and the full relief of their health insurance kicks in. This hardship is made worse by copay accumulator programs because preventing copay assistance from applying to a person's deductible means it takes them longer to reach the end of the deductible period. Because patients are responsible for 100% of their health care costs until the deductible is satisfied, prolonging the deductible period can put other medical needs—such as doctors' visits, rehab therapies, MRIs, or other medications—financially out-of-reach.

The National MS Society has called on all stakeholders in the prescription drug supply chain to come together and find real solutions to escalating price increases, barriers to care and a system too complex to navigate. It is reasonable to question the role of copay assistance programs and the potential role they inadvertently play in raising costs or impeding access—but this should not be the first change that happens. Until we find real solutions to the challenges in our healthcare system that prevent people from affordably accessing the care and treatments they need, we cannot rip away the bandaids people have come to rely on—like copay assistance programs. Mechanisms like copay accumulators primarily impact people who are seeking whatever avenue they can find to be able to take their needed medication.

The National MS Society supports solutions that help safeguard access for people who need life-changing medications, without getting them caught in the middle of struggles between other stakeholders. Please support SB 1003.

Should you have any questions or concerns, please feel free to reach out to Laura Hoch at laura.hoch@nmss.org or (860) 913-2550 X52521.